



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
EUGENE I. GESSOW, DIRECTOR

September 25, 2008

The Honorable Chester J. Culver  
State Capitol  
Des Moines, IA 50319

Dear Governor Culver:

On behalf of the Council on Human Services, I am pleased to present our budget recommendations for the Department for SFY 10. The fourteen offers describe our work with lowans and the results achieved. The funding needed to sustain recent successes and to attain even more aggressive performance targets is detailed in the financial information that accompanies each offer.

The fiscal climate, in which we present our budget recommendations, is one of uncertainty. Challenges at the Federal and State level will no doubt require difficult choices. The impact of the economic slowdown and of disaster recovery on State revenue growth is not yet clear; the amount of Federal funding for rebuilding is uncertain. Federal Fiscal Year 2010 appropriations will await a new administration as will federal reauthorization of the State Children's Health Insurance Program. Changing times demand a long-range view of resource commitments.

As always, the majority of the additional funding requested in these documents is necessary to sustain the current level of service. Growth in access to health care continues to drive a significant portion of the increase in Medicaid and SCHIP. A major initiative over the past two years has been reaching out to families of children who are eligible for health insurance coverage through these programs. We're on track to meet Iowa's goal of covering the estimated 25,000 uninsured children living in families with annual incomes of less than 200% of the Federal Poverty Level by the end of SFY 2011. Through SFY 08, 8,994 additional children received health care coverage through Medicaid and SCHIP, exceeding the annual goal of 6,250 by over 43%. The SFY 10 budget request funds continued enrollment support and expansion. In addition, House File 2539 sets the direction for State health care reform, an effort that will no doubt continue in the upcoming Legislative session and through which Medicaid and SCHIP are appropriated additional funding for SFY 10.

One item of note in our recommendations: the "Children with Disabilities" offer currently has two components: Family Support Subsidy, a monthly subsidy payment to families to help defray some of the special costs of caring for a child with a disability at home; and the Children-at-Home program, providing similar assistance to families except on an "as needed" basis and generally one-time only. The Children-at-Home program has been piloted for many years in a limited number of counties, while the Family Support Subsidy is statewide with a waiting list. The Council's recommendation is to expand the funding available for the Subsidy by ending the Children-at-Home pilot.

The Honorable Chester J. Culver  
Page Two of Two  
September 25, 2008

The Council considered additional program and service enhancements. However, in recognition of limited resources, we made the difficult decision not to include funding for them in our recommendations. We would encourage consideration of these items as further budget deliberations occur:

- Additional social work positions to assist in meeting the requirements of the federal Children's Bureau for monthly caseworker visits with parents and children receiving child welfare services. Regular visits are a proven and critical factor in achieving safety, permanency and well-being outcomes. The target is appropriately aggressive at 95%.
- State match funding, in the event the Department is successful in receiving a second grant from the federal Substance Abuse and Mental Health Services Administration to continue development of local Systems of Care projects to further advance the goals of the Children's Mental Health Services Initiative. We currently await SAMHSA's decision.
- Funding for 2.5 dietary positions at the Iowa Juvenile Home in Toledo to expand meal preparation capacity especially on weekends and holidays.
- Replacement of reduced federal funding for resettlement services to transition newly arriving refugees by providing the basic housing needs of shelter and utilities.

As always, should you have questions, the Council and Department staff are available to assist in your deliberations.

Sincerely,



Ruth L. Mosher, Chair  
Council on Human Services

Council Members:

Roger L. Hartman, Clarinda  
James A. Miller, Dubuque  
Dr. Mark R. Peltan, Mason City  
Sylvia D. Schoer, Spencer  
Donald E. Wright, Cedar Falls,  
Roberta A. Yoder, Urbandale

Enclosure